



# Department of Justice

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FOR IMMEDIATE RELEASE  
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**DEPARTMENT OF JUSTICE APPROVES NEW JERSEY  
HOSPITAL ASSOCIATION PROPOSAL FOR SURVEY**

WASHINGTON, D.C. -- The Department of Justice's Antitrust Division has approved a proposal by a New Jersey hospital association to produce a survey and report of employee wages and salaries paid by hospitals in New Jersey since the proposal falls substantially within a safety zone established in the Antitrust Enforcement Policy Statements for the Health Care Industry.

The New Jersey Hospital Association's proposed wage and salary survey and report met substantially all of the antitrust safety zone conditions for hospital participation in exchanges of price and cost information. The Antitrust Enforcement Policy Statements were issued jointly with the Federal Trade Commission on September 15, 1993.

Under the Department's policy statement, an information exchange among hospitals that falls within the antitrust safety zone will not be challenged under the antitrust laws, absent extraordinary circumstances.

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The Department's position was stated in a business review letter from Anne K. Bingaman, Assistant Attorney General in charge of the Antitrust Division.

Bingaman's letter stated that the Division would not challenge the wage and salary survey and report in light of the New Jersey Hospital Association's representations on the proposal's structure and limits, which met substantially all of the conditions of the Department's antitrust safety zone.

Under the proposal, the survey and report would be conducted by an independent third party who would compile and publish aggregated averages of wage and salary data that is at least three months old.

Bingaman's letter cautioned, however, that the Department would be concerned with information exchanges among competing hospitals, including wage and salary surveys and reports, if the exchanges would likely facilitate collusion or otherwise have the purpose or effect of reducing competition on prices or compensation.

Under the Department's business review procedure, a person or organization may submit a proposed course of action to the Antitrust Division and receive a statement as to whether the Division would challenge the activity under the antitrust laws.

A file containing the business review request and the Department's response will be made available in the Legal Procedure Unit of the Antitrust Division, Room 3235, Department

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of Justice, Washington, D.C. 20530. After a 30-day waiting period, the documents supporting the business review request will be added to the file.

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